Reconstruction (BIFR) was set up under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 with a view to tackle the issue of industrial sickness in an effective manner, to secure timely detection of sick and potentially sick companies owning industrial undertakings, speedy determination by BIFR of the preventive, ameliorative, remedial and other measures which were required to be taken with respect to such companies and the expeditious enforcement of the measures so determined. However, BIFR mechanism has not been completely successful to effectively tackle the problem of industrial sickness. Major reasons for this inter-alia include restrictive definition of sickness, excessive protection to sick industrial companies under section 22 of SICA for automatic stay on all proceedings, slow and dilatory BIFR procedures and excessively long time taken for disposal of cases etc. It has been reported by BIFR that as on 31.12.1999 BIFR and AAIFR/Supreme Court had approved/sanctioned 616 and 27 rehabilitation schemes respectively.

(c) and (d) The review of BIFR and SICA is contemplated with a view to find out ways to tackle the problem of Industrial sickness in a more effective manner.

Amount of Outstanding Investment

2067. SHRI PRAFULL GORADIA: Will the Minister of FINANCE be pleased to state:

(a) what is the total amount of investment outstanding as on 31 st November,
1999 of nationalised banks and other financial institutions like IDBI, IFCI, LIC, GIC and UTI;

(b) the amount of investment at (a) above, how much is invested in Government of India's long term securities of one year and above; and

(c) what is the total amount of annual interest earned in 1998-99 by the above organisations from the investments made in the Central Government securities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) As reported by the Reserve Bank of India (RBI) and Industrial Development Bank of India (IDBI) the total amount of investment outstanding as on 31st March, 1999 of nationalised banks and other financial institutions are Rs. 485196.04 crores.

(b) Of the amount mentioned at part (a) above a sum of Rs. 205069.59 crores has been invested in Government of India's long term securities of one year and above and.

(c) A sum of Rs. 21964.82 crores has been earned as interest by the Institutions mentioned in part (a) above from Government of India's securities.

Individual Savings Account

2068. SHRI V.N. GADGIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to raise the limit of Rs.50,000 in individual Small Savings Account to Rupees one lakh and the limit of rupee one lakh in Joint Account to Rs. 2 lakh;

(b) whether Government will allow banks and Cooperative societies to invest in Kisan Vikas Patra and make available to charitable Trusts a Kisan Vikas Patra Certificate of Rs. One lakh; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) No, Sir. Banks are not permitted to invest in Kisan Vikas Patra. However, it has been decided to allow the farmers' cooperatives, labour cooperatives and 'self help groups' to invest their surplus funds in Kisan Vikas Patra and National Savings Certificate (VIII Issue). Also trusts are permitted to invest in Kisan Vikas Patra.

(c) The objective of small savings is to encourage and promote the habit of thrift amongst small investors. These schemes are not intended for investment of the surplus funds by banks and institutions.

Representation by MPs' from Maharashtra to Finance Commission

2069. SHRI VEDPRAKASH P. GOYAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that MPs from Maharashtra had submitted a representation to Finance Commission for additionl funds for various schemes in the Slate;

(b) if so, what action has been taken on the representation so far; and